GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

STARRED QUESTION NO:72
ANSWERED ON:22.11.2002
PUBLIC MONEY LOCKED UP IN LITIGATIONS
M. JAGANNATH;MOHAN RAWALE

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether a huge amount running into several crores of the public money is locked up in litigation in various courts including Debt Recovery Tribunals handling non-performing assets of banks and financial institutions;

(b) if so, the total amount involved therein as on October, 2002 bank-wise and financial institution-wise, separately;

(c) the recovery of dues during each of the last three years; and

(d) the steps taken/proposed to be taken to ensure faster recovery of debts from these companies?

Answer

MINISTER OF FINANCE & COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a),(b),(c) & (d): A Statement is placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a), (b), (c) AND (d) OF LOK SABHA STARRED QUESTION NO.72 FOR 22 NOVEMBER 2002 REGARDING PUBLIC MONEY LOCKED UP IN LITIGATIONS BY SHRI MOHAN RAWALE AND DR. MAND JAGANNATH.

(a) & (b): The amount involved in cases pending in the Debt Recovery Tribunals (DRTs)as on 30th June, 2002 is Rs.1,02,201.70 crores. The amount involved in cases pending in the Lok Adalats as on 31st March, 2002 is Rs.600.29 crores. Financial institution-wise details in this regard are not available. Bank-wise details are given in Annexure I & II.

(c) The recoveries against Non Performing Assets (NPAs) including cashrecovery/upgradation/write-off/compromise made by the Public Sector Banks during the last three years are as under:

Year ending 31st March	Amount (in crores)
2000	10369
2001	13629
2002	13833

(d) Government of India and RBI have advised the Banks and Financial Institutions todtake several steps for recovery of dues such as evolving and the implementation of recovery policy by banks, compromise settlement through Settlement Advisory Committees and filing of suits ih Debt Recovery Tribunals (DRTs). Banks have also been advised to use the forum ofLok Adalat for compromise settlements. RBI in July 2000 had also introduced non-discretionaryand non-discriminatory One Time Settlement Scheme for NPAs upto Rs. 5 crore.

Credit Information Bureau has been set up to disseminate information on borrowers tothe Banks. Corporate Debt Restructuring (COR) scheme has been put in place to provide atransparent mechanism for restructuring of corporate debts to viable entities facing problems due to internal and external factors. Further, to facilitate foreclosures and enforcement of securities in cases of default and to enable the banks and financial institutions to realize their dues, `The Secruitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Ordinance, 2002` has been promulgated, and its replacement Bill hasalso been introduced in the House.

ANNEXURE-I

DETAILS OF CASES PENDING IN THE LOK ADALATS IN RESPECT OF PUBLIC SECTOR BANKS AS ON 31 ST MARCH, 2002.

S.No.	Name of the public sector bank	Amount (Rs. in Lakhs)
1	State Bank of India	3435.00
1	State Bank of Bikaner & Jaipur	8.56
3	State Bank of Hyderabad	53.43
4	State Bank of Indore	19.93
5	State Bank of Mysote	7.00
6	State Bank of Patiala	3442.00
7	State Bank of Saurashtra	502.59
8	State Bank of Travancore	523.03
9	Allahabad Bank	4196.03
10	Andhra Bank	341.67
11	Bank of Baroda	1091.54
12	Bank of India	4735.72
13	Bank of Maharashtra	75.98
14	Canara Bank	729.94
15	Central Bank of India	359.03
16	Corporation Bank	99.88
17	Dena Bank	634.68
18	Indian Bank	958.50
19	Indian Overseas Bank	8140.82
20	Oriental Bank of Commerce	1372.00
21	Punjab & Sind Bank	1737.94
22	PUhjab National Batik	1856.63
23	Syndicate Bank	1737.94
24	UCO Bank	310.31
25	Union Bank of India	97.88
26	United Bank of India	2650.58
27	Vijaya Bank	0

ANNEXURE-II

DETAILS OF CASES PENDING IN THE DEBT RECOVERY TRIBUNALS IN RESPECT OF PUBLIC SECTOR BANKS AS ON 31sT MARCH, 2001.

S.No.	Name of the public sector bank	Amount involved (Rs. in crores)
1	State Bank of India	7695.12
2	State Bank of Bikaner & Jaipur	444.89
3	State Bank of Hyderabad	729.64
4	State Bank of Indore	368.19
5	State Bank of Mysore	234.55
6	State Bank of Patiala	530.59
7	State Bank of Saurashtra	255.88
8	State Bank ofTravancore	850.98
9	Allahabad Bank	1092.63
10	Andhra Bank	259
11	Bank of Batoda	2409.94
12	Bank of India	2977.70
13	Bank of Maharashtra	933.45
14	Canara Bank	2324.49
15	Central Bank of India	2315.73
16	Corporation Bank	158.61
17	Dena Bank	1016.41
18	Indian Bank	3390.33
19	Indian Overseas Bank	964.56
20	Oriental Bank of Commerce	604.77
21	Punjab & Sind Bank	845.33
22	Punjab National Bank	2981.51
23	Syndicate Bank	352.58
24	UCOBank	631.94
25	Union Bank of India	1485.83
26	United Bank of India	667.48
27	Vijaya Bank	631.94